United States Environmental Protection Agency
Washington, D.C. 20460

Water Compliance Inspection Report

Section A: National Data System Coding (i.e., PCS)

Transaction Code	NPDES	yr/mo/day	Inspection Type	Inspector	Fac Type
1 N	AKR05CC38	11/08/15	~	R	2

Remarks: Storm water New cond

21 ... 66

Inspection Work Days	Facility Self-Monitoring Evaluation Rating	BI	QA	Reserved	
67 ... 69	70	71	72	73 ... 74	75 ... 80

Section B: Facility Data

Name and Location of Facility Inspected *(For industrial users discharging to POTW, also include POTW name and NPDES permit number)*

SEWARD LOADING FACILITY
903 Port Ave.
Seward, AK 99664

Entry Time/Date	Permit Effective Date
8/15/2011 1010 AM	MAY 15, 2009
Exit Time/Date	**Permit Expiration Date**
8/15/2011 1500 PM	Sept 29, 2013

Name(s) of On-Site Representative(s)/Title(s)/Phone and Fax Number(s)

Vic Stoltz - general mgr Aurora Energy Services, LLC (907) 224-3120
Matt Kelzenberg - Marine Envm. operator - Alaska Ambient (907) 265-2384
Paul Farnsworth - Dock foreman - Alaska Ambient (907) 265-2540
Robert Brown -

Name, Address of Responsible Official/Title/Phone and Fax Number

ROBERT Brown - Project Manager
Usibelli Coal Mine, Inc.
M (907) 745-6028 cell (907) 378-3529

Contacted: [X] Yes [ ] No

Other Facility Data *(e.g., SIC NAICS, and other descriptive information)* (Marine Cargo Handling)

SIC CODE: 4491
Lat: 60°.1222
Long: 149°.4335

Section C: Areas Evaluated During Inspection *(Check only those areas evaluated)*

[X] Permit	[X] Self-Monitoring Program	[ ] Pretreatment	[ ] MS4
[X] **Records/Reports**	[ ] Compliance Schedules	[ ] Pollution Prevention	
[X] Facility Site Review	[ ] Laboratory	[X] Storm Water	
[X] Effluent/Receiving Waters	[X] Operations & Maintenance	[ ] Combined Sewer Overflow	
[ ] Flow Measurement	[ ] Sludge Handling/Disposal	[ ] Sanitary Sewer Overflow	

Section D: Summary of Findings/Comments

(Attach additional sheets of narrative and checklists, including Single Event Violation codes, as necessary)

SEV Codes | SEV Description

RECEIVED
SEP 15 2011
U.S. EPA REGION 10
OFFICE OF COMPLIANCE AND ENFORCEMENT

Name(s) and Signature(s) of Inspector(s)	Agency/Office/Phone and Fax Numbers	Date
DAVE TERPENING	US EPA/OCE/ 206 553 6905	AUG 15, 2011
Signature of Management Q A Reviewer	**Agency/Office/Phone and Fax Numbers**	**Date**
	EPA/OCE 206-553-5317	2/23/12

EPA Form 3560-3 (Rev 1-06) Previous editions are obsolete.

ICIS 9-21-2011

INSTRUCTIONS

Section A: National Data System Coding *(i.e., PCS)*

Column 1: Transaction Code: Use N, C, or D for New, Change, or Delete. All inspections will be *new* unless there is an error in the data entered.

Columns 3-11: NPDES Permit No. Enter the facility's NPDES permit number - third character in permit number indicates permit type for U=unpermitted, G=general permit, etc.. *(Use the Remarks columns to record the State permit number, if necessary.)*

Columns 12-17: Inspection Date. Insert the date entry was made into the facility. Use the year/month/day format (e.g., 04/10/01 = October 01, 2004).

Column 18: Inspection Type*. Use one of the codes listed below to describe the type of inspection:

A Performance Audit
B Compliance Biomonitoring
C Compliance Evaluation (non-sampling)
D Diagnostic
F Pretreatment (Follow-up)
G Pretreatment (Audit)
I Industrial User (IU) Inspection
J Complaints
M Multimedia
N Spill
O Compliance Evaluation (Oversight)
P Pretreatment Compliance Inspection
R Reconnaissance
S Compliance Sampling

U IU Inspection with Pretreatment Audit
X Toxics Inspection
Z Sludge - Biosolids
Combined Sewer Overflow-Sampling
$ Combined Sewer Overflow-Non-Sampling
+ Sanitary Sewer Overflow-Sampling
& Sanitary Sewer Overflow-Non-Sampling
\ CAFO-Sampling
= CAFO-Non-Sampling
2 IU Sampling Inspection
3 IU Non-Sampling Inspection
4 IU Toxics Inspection
5 IU Sampling Inspection with Pretreatment
6 IU Non-Sampling Inspection with Pretreatment
7 IU Toxics with Pretreatment

! Pretreatment Compliance (Oversight)
@ Follow-up (enforcement)
{ Storm Water-Construction-Sampling
} Storm Water-Construction-Non-Sampling
: Storm Water-Non-Construction-Sampling
~ Storm Water-Non-Construction-Non-Sampling
< Storm Water-MS4-Sampling
- Storm Water-MS4-Non-Sampling
> Storm Water-MS4-Audit

Column 19: Inspector Code. Use one of the codes listed below to describe the *lead agency* in the inspection.

A — State (Contractor)
B ---- EPA (Contractor)
E — Corps of Engineers
J — Joint EPA/State Inspectors—EPA Lead
L ---- Local Health Department (State)
N — NEIC Inspectors

O— Other Inspectors, Federal/EPA (Specify in Remarks columns)
P— Other Inspectors, State (Specify in Remarks columns)
R — EPA Regional Inspector
S — State Inspector
T — Joint State/EPA Inspectors—State lead

Column 20: Facility Type. Use one of the codes below to describe the facility.

1 — Municipal. Publicly Owned Treatment Works (POTWs) with 1987 Standard Industrial Code (SIC) 4952.
2 — Industrial. Other than municipal, agricultural, and Federal facilities.
3 — Agricultural. Facilities classified with 1987 SIC 0111 to 0971.
4 — Federal. Facilities identified as Federal by the EPA Regional Office.
5 — Oil & Gas. Facilities classified with 1987 SIC 1311 to 1389.

Columns 21-66: Remarks. These columns are reserved for remarks at the discretion of the Region.

Columns 67-69: Inspection Work Days. Estimate the total work effort (to the nearest 0.1 work day), up to 99.9 days, that were used to complete the inspection and submit a QA reviewed report of findings. This estimate includes the accumulative effort of all participating inspectors; any effort for laboratory analyses, testing, and remote sensing; and the billed payroll time for travel and pre and post inspection preparation. This estimate does not require detailed documentation.

Column 70: Facility Evaluation Rating. Use information gathered during the inspection (regardless of inspection type) to evaluate the quality of the facility self-monitoring program. Grade the program using a scale of 1 to 5 with a score of 5 being used for very reliable self-monitoring programs, 3 being satisfactory, and 1 being used for very unreliable programs.

Column 71: Biomonitoring Information. Enter D for static testing. Enter F for flow through testing. Enter N for no biomonitoring.

Column 72: Quality Assurance Data Inspection. Enter Q if the inspection was conducted as followup on quality assurance sample results. Enter N otherwise.

Columns 73-80: These columns are reserved for regionally defined information.

Section B: Facility Data

This section is self-explanatory except for "Other Facility Data," which may include new information not in the permit or PCS (e.g., new outfalls, names of receiving waters, new ownership, other updates to the record, SIC/NAICS Codes, Latitude/Longitude).

Section C: Areas Evaluated During Inspection

Check only those areas evaluated by marking the appropriate box. Use Section D and additional sheets as necessary. Support the findings, as necessary, in a brief narrative report. Use the headings given on the report form (e.g., Permit, Records/Reports) when discussing the areas evaluated during the inspection.

Section D: Summary of Findings/Comments

Briefly summarize the inspection findings. This summary should abstract the pertinent inspection findings, not replace the narrative report. Reference a list of attachments, such as completed checklists taken from the NPDES Compliance Inspection Manuals and pretreatment guidance documents, including effluent data when sampling has been done. Use extra sheets as necessary.

*Footnote: In addition to the inspection types listed above under column 18, a state may continue to use the following wet weather and CAFO inspection types until the state is brought into ICIS-NPDES: K: CAFO, V: SSO, Y: CSO, W: Storm Water 9: MS4. States may also use the new wet weather, CAFO and MS4 inspections types shown in column 18 of this form. The EPA regions are required to use the new wet weather, CAFO, and MS4 inspection types for inspections with an inspection date (DTIN) on or after July 1, 2005.

NPDES STORMWATER
Inspection Report

AURORA ENERGY SERVICES, LLC
SEWARD COAL TERMINAL
SEWARD, ALASKA

Prepared by:

Dave Terpening, Environmental Scientist
Environmental Protection Agency, Region 10
Office of Compliance and Enforcement
Inspection and Enforcement Management Unit

Table of Contents

I. Facility Information

II. Inspection Information

III. Background Information

IV. Inspection Entry

V. Inspection Chronology

VI. Samples Collected

VII. Areas of Concern

VIII. Closing Conference

Attachments

A. Photo Log of EPA Storm Water Inspection
B. Aerial Photo of Seward Loading Facility provided by Alaska Railroad Facility
C. Aurora Energy Services – Storm Water Pollution Prevention Plan (SWPPP)Volume 1
D. Signed Certification (SWPPP) by Corporate Officer
E. Descriptive Aerial Maps of Facility
F. Table with Outfalls and Drainages Listed
G. One Month (May 2011) Monitoring Data

[Unless otherwise noted, all details in this inspection report were obtained from conversations with Robert Brown and Vic Stoltz with Aurora Energy Services and Paul Farnsworth and Matt Kelzenberg with Alaska Railroad, or from observations made during the inspection.]

This inspection report includes a photo log (attachment A), aerial photograph of facility (attachment B), storm water pollution prevention plan (attachment C), signed certification (attachment D), descriptive aerial maps (attachment E), table of outfalls (attachment F), and monitoring data report (attachment G).

I. Facility Information

Facility Name:	Aurora Energy Services Seward Coal Terminal
Facility Address:	903 Port Ave. Seward, Alaska 99664
Facility Owner:	Alaska Railroad Corporation P.O. Box 107500 Anchorage, Alaska 99510
Facility Operator:	Aurora Energy Services 903 Port Ave. Seward, Alaska 99664
Facility Contact(s):	Robert Brown - General Manager Aurora Energy Services Phone: (907) 378-3529 Vic Stoltz - General Foreman Aurora Energy Services Phone: (907) 378-3529 Paul Farnsworth - Director, Facilities Alaska Railroad Phone: (907) 265-2540 Matt Kelzenberg - Manager, Environmental Operations Alaska Railroad Phone: (907) 265-22384
Type of Permit:	Multi – Sector General Permit (MSGP) Stormwater
NPDES Permit Number:	AKR05CC38
Permit Effective:	February 26, 2009
Permit Expires:	September 29, 2013

SIC Code:	4491 Marine Cargo Handlers
NAICS Code:	48311 Deep Sea Freight Transport
GPS:	N 60.1222 W 149.4335

II. Inspection Information

Inspection Date:	August 15, 2011
EPA NPDES Inspector:	Dave Terpening Region 10, Office of Compliance and Enforcement Inspection and Enforcement Management Unit (206) 553-6905
EPA CAA Inspector:	John Pavitt Region 10, Alaska Operations Office (907) 271-3688
Arrival Time:	10:45 AM
Departure Time:	15:30 PM
Weather Condition:	Partly Cloudy
Receiving Waters:	Resurrection Bay
Type of Inspection:	Industrial Stormwater – Non Construction – Non Sampling

Purpose: This inspection was conducted in order to assess the facility's compliance with their NPDES Stormwater Multi – Sector General Permit. Note that a separate Clean Air Act compliance inspection was conducted by EPA Anchorage Operation Office inspector John Pavitt during this site visit (report prepared separately).

III. Background Information

Permit Authorization AKR05CC38 allows Aurora Energy Services, LLC (AES) to discharge stormwater associated with its industrial coal transfer activities at the Seward Loading Facility under the National Pollutant Discharge Elimination (NPDES), Multi-Sector General Permit (MSGP): AKR05000. The EPA assigned the facility coverage under Sector AD of the MSGP, which authorizes AES to discharge stormwater that has been managed through the implementation of a Storm Water Pollution Prevention Plan (SWPPP). Receiving waters for this discharge includes Resurrection Bay and other associated waters of the United States.

The Seward Coal Terminal (the facility) is a coal handling facility located adjacent to the boat harbor and a cruise ship dock in Seward, Alaska. It is owned by the Alaska Railroad Corporation (ARR) and operated by Aurora Energy Services (AES). Coal is received by railcar, unloaded and moved by conveyor belts and stacked in two large piles. Coal is then pulled off of the storage piles by a "reclaimer" system, placed back onto conveyor belts and loaded onto ships in Resurrection Bay for transport to customers worldwide.

IV. Inspection Entry

This was an announced NPDES inspection. John Pavitt called and left a message for Robert Brown several days prior to inspection (08/15/2011) informing him of the date and the approximate time of inspection. The decision to announce this inspection was due to the remote nature of the facility (3-hour drive from Anchorage) and to make sure all the appropriate owners and operators would be present.

Mr. Pavitt and I arrived at the AES office in Seward, Alaska at about 10:45 am. We identified ourselves as EPA inspectors and signed their visitor log. We met with representatives from ARR (Matt Kelzenberg and Paul Farnsworth) and AES (Robert Brown and Vic Stoltz). Mr. Pavitt and I presented our inspector credentials and explained the scope of our inspections. Mr. Pavitt said his inspection was focused on compliance with Clean Air Act (CAA) regulations as well as the AK SIP requirement to take precautions to prevent fugitive dust. I said my inspection was focused on compliance with Clean Water Act (CWA) requirements. We said we would be writing separate inspection reports, for review within EPA Region 10.

Mr. Pavitt asked who owns the facility. The facility representatives said that Alaska Railroad owns the facility, and Aurora Energy Services operates it. Mr. Pavitt asked how often a ship comes in for a load of coal. They said a ship comes in about every three weeks, with different ships at different times.

We then asked Mr. Brown, to give us an overview of the facility, pointing to a labeled aerial photo of the Seward Coal Facility, which is included in Attachment B. He said that they use water spray bars, sprinklers and fog sprayers at various points in the coal unloading building, storage piles and conveyor lines to prevent dust. These locations were clearly marked on the aerial photo. He also pointed out that much of the conveyor line system is partially or fully enclosed.

We asked how long it takes to load a ship, once they begin the process. Mr. Brown said it takes about four days. Ships vary in capacity from 50,000 -70,000 tons. He said the coal is shipped to Chili, Korea and Japan, primarily. He said that they receive their coal by rail from the Usibeli Coal Mine in Healy, and that it takes about 48 hours for a train to make a round trip from the mine to the Seward Coal facility.

We were not denied access to the facility and were permitted to inspect all areas of the facility we wished to inspect.

V. Inspection Chronology

This inspection consisted of an opening conference to conduct initial introductions and to discuss the purpose and expectations of the inspection, a file review of their Storm Water Pollution Prevention Plan (SWPPP) and BMP inspection reports, a tour of the facility, and a closing conference to discuss compliance-related concerns. The tour of the facility included the following areas:

- Stormwater Collection Ponds
- Stormwater Catch Basins
- Stormwater Berms
- Stormwater Final Pond Discharge

Upon return to the office area I reviewed of the SWPPP and asked several questions related SWPPP. Mr. Brown and Mr. Stoltz were able to show me the following documents:

- Copy of the Permit
- Signed Certification SWPPP
- SWPPP
- Facility Maps
- Drainage Maps
- Outfall Locations Identified
- Monitoring Records

I requested copies of some of the documents and I have included them in the attachments. This report only discusses observation made at the time of the inspection.

VI. Samples Collected

No samples were collected at the time of the inspection.

VII. Areas of Concern

During the site review and tour, I noticed a small opening in the silt fence under the dock that the conveyor belt system runs along used to carry coal out to the ships. Stormwater passing through this opening would ultimately enter Resurrection Bay. The bay was approximately 25 feet from the fence line at the time of the inspection. This was noted to the facility staff while walking the site. Other than the silt fence small hole, I did not see any other areas of concern during this inspection.

VIII. Closing Conference

A closing conference was held with representatives from AES (Robert Brown and Vic Stoltz) and ARR (Matt Kelzenberg and Paul Farnsworth) to discuss our inspection observations. At the time of this inspection it was not raining and no discharges were observed. All parties involved with both the CAA and CWA inspections were interested in our observations. Both AES and ARR staff would like to get copies of the inspection reports when completed and available. I indicated that I would note their request in my report.

Mr. Pavitt and I thanked them for their time and cooperation with the inspections.

Report Completion Date: Feb 20, 2012

Lead Inspector Signature: [signature]

ATTACHMENT A:

Photo Log

Aurora Energy Services

August 15, 2011

All photos taken by Dave Terpening

Photo 1: Front entrance to AES operator of the Seward Coal Terminal in Seward, Alaska.

Photo 2: Alaska Railroad owns the Seward Coal Terminal in Seward, Alaska.

Photo 3: Looking North along the covered coal conveyer belt system. The two yellow arrows mark the location of the stormwater retention ponds on the Seward Coal Terminal.

Photo 4: Looking at the east stormwater retention pond on the Seward Coal Terminal.

Photo 5: Sampling station on the east stormwater retention pond where the operator Aurora Energy Services collects the monitoring data for the SWPPP.

Photo 6: Sampling station on the east stormwater retention pond where the operator Aurora Energy Services collects the monitoring data for the SWPPP.

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Photo 7: Looking West towards the east retention pond with gravel area sloped to towards the pond to direct any stormwater runoff into the settling pond along the eastern portion of the facility.

Photo 8: This photo shows a catch basin used to help collect stormwater runoff along the eastern edge of the facility. The road behind the personnel standing in the photo slopes towards the catch basin.

Photo 9: At the northern end of the property the operators have a large berm keeping the stormwater runoff contained on the facility. The berm is seen on the left side of the photo.

Photo 10: Looking South at the west stormwater retention pond which is connected to the east retention pond by a flow through pipe.

Photo 11: Looking Northerly along the west edge of the property the operators maintain a berm to contain any stormwater runoff from leaving the facility. The berm can be seen on the left side of the photo.

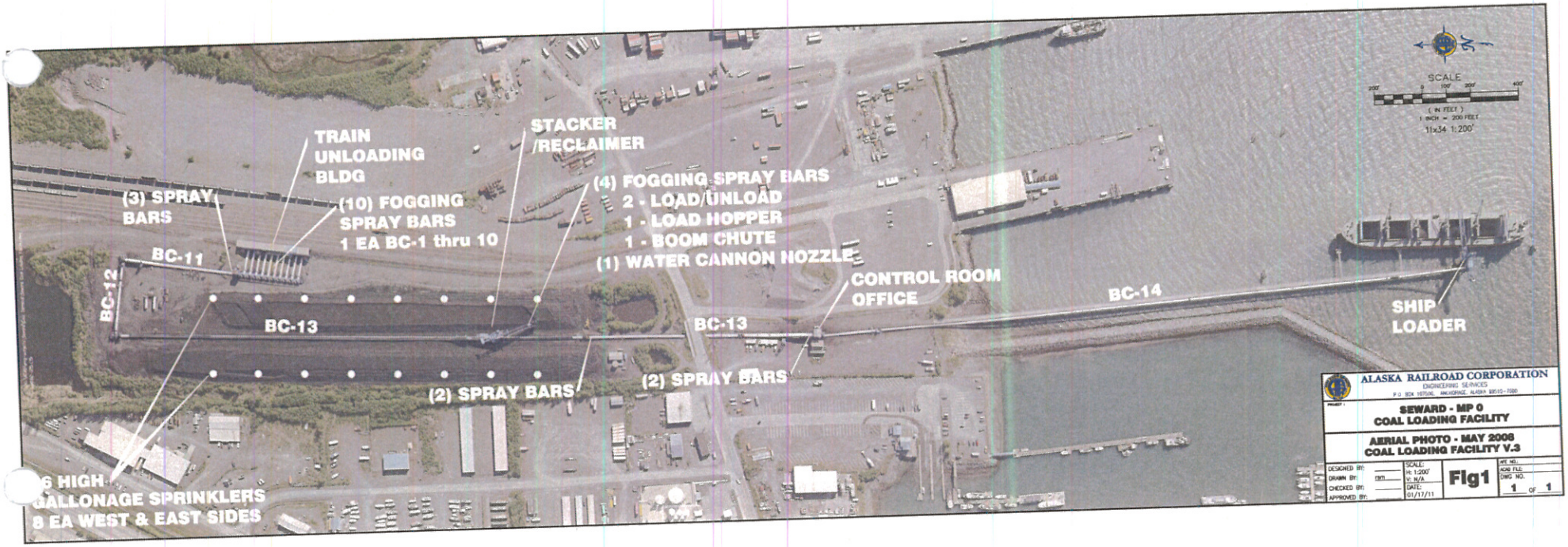
Photo 12: Photo shows another catch basin connected to the retention ponds.

Photo 13: At the south end of the terminal near the shoreline a small section of silt fence was torn away. This opening appears to be animal excess area to the beach. A yellow arrow marks the hole in the fence.

ATTACHMENT B:

Aerial Photo

Seward Loading Facility


TRAIN
UNLOADING
BLDG
STACKER
/RECLAIMER
(3) SPRAY
BARS
(10) FOGGING
SPRAY BARS
1 EA BC-1 thru 10
(4) FOGGING SPRAY BARS
2 - LOAD/UNLOAD
1 - LOAD HOPPER
1 - BOOM CHUTE
(1) WATER CANNON NOZZLE
BC-11
BC-12
BC-13
BC-13
CONTROL ROOM
OFFICE
BC-14
SHIP
LOADER
(2) SPRAY BARS
(2) SPRAY BARS
6 HIGH
GALLONAGE SPRINKLERS
8 EA WEST & EAST SIDES
SCALE
(IN FEET)
1 INCH = 200 FEET
11x34 1:200
ALASKA RAILROAD CORPORATION
ENGINEERING SERVICES
SEWARD - MP 0
COAL LOADING FACILITY
AERIAL PHOTO - MAY 2008
COAL LOADING FACILITY V.3
DESIGNED BY:
DRAWN BY: tam
CHECKED BY:
APPROVED BY:
SCALE:
H: 1:200'
V: N/A
DATE:
01/17/11
Fig1
APE NO.
ACAD FILE:
DWG NO.
1 OF 1

ATTACHMENT C:

Aurora Energy Services

Stormwater Pollution Prevention Plan

Volume 1